Lifetime Benefit Solutions



Qualified Transportation Benefit

For the majority of us that have to battle rush hour traffic for our daily commute to and from work, we understand that this can be one of the most stressful parts of the day. With the average one-way commute time in the United States sitting at around 26 minutes*, we find ourselves spending about an hour each day heading to and from work.

But, what if we told you that you could start saving money on your daily transportation and parking needs? A Qualified Transportation Benefit (QTB) allows you to pay for commuting expenses with pre-tax dollars. By reducing your taxable income, you'll save money, making these daily tasks a little more bearable.

What is a QTB?

A QTB is a spending account program that allows pre-tax dollars to be used to pay for IRS-eligible transit and parking expenses related to your commute to work. The IRS sets maximum monthly pre-tax contribution amounts (separate amounts for parking and transit expenses) and adjusts them annually.

Addressing two key commuting components

Parking

A parking account can reimburse participants for daily work-related expenses, such as parking lot fees and parking at a location for access to mass transit or van-pooling sites.

Transit

A transit account can reimburse participants for expenses related to mass transit fees, such as subway and train tokens and passes, bus and ferry fares, and van-pooling expenses.

Bridge tolls, road tolls, gasoline and expenses incurred by spouses or dependents are not eligible expenses.

*Source: U.S. Census Bureau, 2016.

Important information about QTBs

Only employee-related expenses are eligible to be covered by QTB funds – not spouses or dependents

You can elect a QTB anytime throughout the year – not just during open enrollment or as a result of a qualified event

Your QTB funds can roll over from year-to-year – there is no concern for "use it or lose it" as long as you work for your current employer

A real-life comparison

	QTB Plan	No QTB Plan
Annual income (before taxes)	$75,000	$75,000
Pre-tax parking contribution	($3,000)	$0
Pre-tax transit contribution	($2,500)	$0
Taxable income	$69,500	$75,000
Estimated taxes (15% federal)	($10,425)	($11,250)
Parking expenses	$0	($3,000)
Transit expenses	$0	($2,500)
Available income	$59,075	$58,250

Total savings:
$825

Experience the Difference with Lifetime Benefit Solutions

By electing a spending account with LBS, you'll enjoy the added benefits of:

- A comprehensive, integrated platform where you can access and manage all of your spending accounts in one place
- 24/7 access to account information at your fingertips through web-and mobile-based portals
- Automated email alerts and monthly account summaries available online
- Quick and easy access to all account funds through online distribution requests or the use of a convenient debit card

Take the first step toward savings.
Enroll in a QTB today using the process outlined by your employer, and contact your benefit administrator with any questions.

Scan to download the **LBS Health Spending App** to your device.

Download on the App Store

If you have an iOS device, simply search **LBS Health Spending App** in the App Store and download to your device.

GET IT ON Google Play

For Android devices, you can download the app by searching **LBS Health Spending** in the Google Play Store.

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B-7624/21298-25LBS